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For Immediate Release: April 28, 2003

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Indiana 2002 Export Sales Reach \$14.9 Billion; Numbers Equal Second Strongest Year on Record

INDIANAPOLIS — While many states saw a decline in exports in 2002, Indiana posted its second best year on record, shipping \$14.9 billion in goods overseas.

Lt. Governor Joe Kernan, who serves as the director of the Indiana Department of Commerce, released the year-end numbers today, along with the state's fourth quarter results, which totaled \$3.8 billion.

Contrary to national trends, Indiana's exports rose by 3.9 percent, or \$558 million, over 2001, while exports from the United States as a whole declined by 5.2 percent. Among the top 20 exporting states, Indiana was one of only eight states to see an increase and only three states, Kentucky, Michigan and Louisiana, had stronger export sales increases.

"While all states continue to struggle to get back to where they were before the national recession and the events of 9/11, these numbers show that Indiana is ahead of our competition," said Kernan. "This is a direct result of our international trade efforts and the quality of our products. It's another great testament to Hoosier businesses and workers and what they make."

Much of Indiana's 2002 gains can be credited to Canada and Mexico, whose one-year increases were, respectively, \$617 million and \$172 million. Six of Indiana's top 10 exports destinations purchased more from the state in 2002 than in 2001. The increases ranged from the 1.9 percent increased sales to Japan to the 17.3 percent increase in exports to Singapore.

For the year, Vehicles had the largest dollar increase of all Hoosier industry export sectors, while the Miscellaneous Chemical category produced the largest percentage increase, followed by Pharmaceuticals. Of Indiana's top 10 export industries, only two, Aluminum and Organic Chemicals, had declining exports for the year.

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2002 Year-end Export Numbers/ add 1

"This was another good year for the state of Indiana's exports because it continued to bounce back – and at a rate faster than rest of the nation," said Larry Davidson, professor of Business Economics and Public Policy at the IU Kelley School of Business "As we look ahead, the good news for Hoosier exporters in 2003 is that the world economy is coming out of its slump. However, the speed of the economic recovery and the war with Iraq, as well as the unfolding battle against terrorism, will continue to have a huge impact on Indiana success."

The fourth quarter and year-end export numbers were released in The New Quarterly Indiana Export Report issued by the Global Business Information Network and the Center for International Business Education and Research at the IU Kelley School of Business.

In addition to containing details about fourth quarter and year-end export numbers, The New Quarterly Indiana Export Report features a summary of a special report on the sub-national international trade policy. The full report is available at www.indianacommerce.com/export_report. For further information about Indiana's exports, contact the Indiana Department of Commerce's International Trade Office at 317.233.3762.

INDIANA'S TOP 10 EXPORT INDUSTRIES, 2001

<i>Product</i>	EXPORTS (in \$)	PERCENTAGE CHANGE		
	2002	2001-2002	2000-2001	1996-2002
Vehicles/ Not Railway	4,141,094,866	6.0	-11.1	6.8
Machinery	3,215,393,528	5.2	-3.4	6.8
Electrical Machinery	1,356,293,591	4.7	-26.0	5.6
Optic/ Medical Inst	903,019,211	2.9	16.2	4.3
Organic Chemical	892,252,433	-1.9	10.9	9.7
Plastic	622,233,882	1.2	-14.1	6.1
Misc. Chemical	562,569,112	34.0	-7.4	15.5
Pharmaceutical	546,578,076	12.8	31.9	-0.1
Iron and Steel	209,862,092	6.0	-36.0	2.8
Aluminum	207,711,188	-23.2	12.4	2.8

INDIANA'S TOP 10 MARKET DESTINATIONS, 2002

<u>Country</u>	EXPORTS (in \$)	ANNUAL PERCENTAGE CHANGE		
	2002	2001-2002	2000-2001	1996-2002
Canada	6,819,277,512	10.0	-12.7	4.2
Mexico	1,942,451,138	9.7	-12.9	82.9
United Kingdom	1,006,675,220	7.0	12.0	10.6
Japan	714,116,357	1.9	-14.9	-1.4
France	637,645,190	-4.7	30.6	32.5
Germany	525,114,092	-5.2	30.2	8.0
Netherlands	295,308,431	-3.8	-45.0	0.5
Singapore	252,699,786	17.4	-4.3	8.2
South Korea	244,726,123	10.8	-10.4	3.8
Australia	227,750,205	-3.3	22.3	3.0
World	14,923,048,754	3.9	-6.6	6.0

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